

MEMORANDUM

WA 2917

7-11-80

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DATE July 11, 1980

TO Dan Dingfield, Manager, Planning and Research

FROM John Dohrmann, Senior Environmental Planner

SUBJECT Chempro Operation at T-91

RCRA PERMIT
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Chemical Processors, Inc. leases the tank farm at T-91 (with associated buildings and pipelines) from the Port. The current lease was granted on June 10, 1975 and runs through March 31, 1984. Under the provisions of this lease, Chempro uses the facility for receiving waste oils, undertaking water/sludge operations, and storage and distribution of other petroleum products. The lease is very explicit regarding the lessee's housekeeping responsibilities:

9.(c) Lessee will, at its own expense, clean and keep clean all grounds, tanks, pipeways, walkways, stairs, platforms, and other areas where spills would be unsightly or hazardous. No oil or oily residue shall be allowed to remain in any area or on any surface, but shall be removed as soon as practicable. If oil spills on the ground, the saturated dirt shall be removed and replaced with clean sand or other suitable material. If present unsightly or hazardous areas are not cleaned within sixty (60) days, or if future spills are not removed as soon as practicable, the Port shall have the right to clean such areas at Lessee's expense.

This clause was added to this 1975 lease as a result of a memo to Real Estate from Vern Ljungren. It was recommended by Engineering as a result of inspections by Ned Akerman and Keith Christian in 1974. I first toured the facility with representatives of the Department of Ecology on January 10, 1979. The tank farm area was essentially flooded with an oil spill. But in addition, every surface (walls, earth, catwalks, etc.) was coated with oil. I stopped out there this past week and again, the entire operation is coated with oil. In areas around tanks that are not actually flooded with oil, the earth is saturated.

Although Real Estate did express concern over the Chempro operation in early 1979 resulting in some memo's from Chempro, we have never enforced the standards of cleanliness described in our lease. The last memo we received from Real Estate was in March of 1979.

I contacted the three principal regulatory agencies that deal with Chempro. Metro accepts the treated waste water from Chempro under an Industrial Waste Discharge permit. Although they used to have a lot of problems, Chempro has lately installed new sampling devices, better valves, and an automatic shut-off. Metro has observed no recent violations of the permit and is presently more-or-less satisfied with Chempro's option.

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The Puget Sound Air Pollution Control Agency (PSAPCA) regulates air emissions from the Chempro facility. They have had problems with the Chempro boiler emissions, both for black smoke and for heavy metals. Chempro wanted permission to burn used crankcase oil, but this was denied. Apparently the new volatile organic carbon emissions only apply to gasoline and some light crude oils. PSAPCA has concerns but no present problems with the operation.

The Department of Ecology has no direct permitting authority over Chempro but responds to oil spills. Recently the spills of oil to the water have been blamed on vessel operators, not Chempro. Although DOE is concerned that the chronic spills in the tank farm area will reach groundwater and enter the water, there is no evidence of this yet. Although the abysmal filthiness makes them nervous, it is not a violation of law. A permit was granted on June 12, 1973 and runs through March 31, 1984. Under the provisions of our lease with Chempro requires that they submit an itemized accounting of all business conducted in the facility. These accountings should be clearly reviewed and summarized to determine the exact nature of current Chempro operations.

Summary and Recommendations: At its own expense, clean and keep clean all grounds, tanks, pipeways, walkways, stairs, platforms, and The Chempro operation at T-91 has always been, and continues to be, a filthy operation. The management and crew have apparently reached a state where it doesn't bother them that the ground, the catwalks, and everything at the facility is always covered with oil. The Port, through the quoted clause of the current lease, is the only agency with the authority to force a clean-up. Although occasional concern has been expressed and memos exchanged, the operation remains an embarrassment. Future spills are not removed as soon as practicable, the Port shall have the right

I recommend that the Port make a commitment to enforce the cleanliness clause of the lease. Chempro should be formally notified of our intent. An inspector from the Engineering Department or outside of the Port should be designated. An initial detailed inspection should be carried out. A list of corrections required should be given to Chempro and a compliance schedule worked out. Thereafter, a Port inspector should tour the facility at least monthly. Should Chempro exhibit anything less than enthusiastic support of this approach, outside contractors should be brought in to inspect the site and prepare bids to clean it up. Then Chempro should be given the choice of cleaning it up or having us hire an outside contractor to do the work.

It is my understanding that Chempro is by no means the only company providing waste oil treatment and disposal services. The yellow pages list seven companies that supply this service. One of these other companies might be interested in taking over the T-91 facility in 1984.

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cc: Wells ✓